

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

CENTRAL ILLINOIS PUBLIC SERVICE COMPANY )  
d/b/a AmerenCPS )

Petition for a Certificate of Public Convenience and )  
Necessity, pursuant to Section 8-406 of the Illinois Public )  
Utilities Act; to construct, operate and maintain a new )  
138,000 volt electric lines in Madison County, Illinois )

No. 07-0532

**INITIAL BRIEF OF WRB REFINING, LLC**

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**DATED: June 11, 2008**

## **INITIAL BRIEF OF WRB REFINING, LLC**

Pursuant to Section 200.800 of the Rules of Practice of the Illinois Commerce Commission (“ICC” or “Commission”) (83 Ill. Adm. Code Part 200.800), and the briefing schedule set by the Administrative Law Judges (“ALJs”), WRB Refining, LLC presents its Initial Brief in this docket for the Commission’s consideration.

### **I. INTRODUCTION/STATEMENT OF THE CASE**

This proceeding was initiated by Central Illinois Public Service Company d/b/a (“AmerenCIPS,” “Petitioner,” or the “Company”), pursuant to 8-406 of the Illinois Public Utilities Act (“Act”), 220 ILCS 5/8-406, seeking approval from the Illinois Commerce Commission (“Commission”) for a Certificate of Public Convenience and Necessity (“Certificate”) authorizing AmerenCIPS to construct, operate, and maintain two new 138 kilovolt (“kV”) electric lines (the “Transmission Lines”) connecting the Wood River Refinery (“WRR”) owned by WRB Refining, LLC (“WRB”), a wholly owned subsidiary of ConocoPhillips Corporation and EnCana Corporation, in Roxana, Illinois to the existing Illinois Power Company d/b/a AmerenIP Wood River-Roxford L1502 and AmerenCIPS Roxford-BOC transmission lines and related facilities. AmerenCIPS also seeks, pursuant to 8-503 of the Act, 220 ILCS 5/8-503, an order directing that the Transmission Lines be built.

WRB witness, Herman Seedorf (“Seedorf”) presented testimony in this proceeding addressing the necessity of the two new 138 kV transmission lines to support the continuing safe operation of WRR.

#### **A. AmerenCIPS Meets the Requirements of 220 ILCS 5/8-406.**

Section 8-406 of the Public Utilities Act (220 ILCS 5/8-406) establishes the standard for the

granting of a Certificate of Public Convenience and Necessity for new construction. It provides in pertinent part:

“Whenever after a hearing the Commission determines that any new construction . . . by a public utility will promote the public convenience and is necessary thereto, it shall have the power to issue certificates of public convenience and necessity. The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers; (2) that the utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.” (220 ILCS 5/8-406).

1. **The proposed Transmission Lines are necessary to provide adequate, reliable, and efficient service to AmerenCIPS customers and are the least-cost means of satisfying the service needs of its customers.**

WRB is proposing to invest in a multi-billion dollar project at the WRR. This investment will increase the refinery’s capacity to 360,000 barrels of crude oil per day and will dramatically increase the refinery’s power needs from approximately 140 MW to nearly 240 MW. (Seedorf, WRB Ex. 1.0 at 5: 94-98). Once the initial project is completed WRB is considering a second project that would further increase the refinery’s electrical demand to 300 MW, and the refining capacity to 400,000 barrels of crude oil per day. (Id. at 5:00-104).

WRR is currently being served with seven (7) different 34.5 kV feeders, four of which are used to serve other customers in the area. (AmerenCIPS Petition at 2; and Brownfield AmerenCIPS Ex. 1.0 at 5:96-98). The existing feeders are not able to support the WRR proposed increased load. (AmerenCIPS Petition at 2; and Brownfield, AmerenCIPS Ex. 1.0 at 5: 96-98). The construction

of the two new Transmission Lines will strengthen the reliability and efficiency of the distribution system for WRR and the surrounding area and is consistent with good utility practice. (AmerenCIPS Petition at 2; and Brownfield, AmerenCIPS Ex. 1.0 at 5:104-105).

AmerenCIPS witness Chapman submitted testimony concerning the design and construction of the proposed transmission lines. (Chapman, AmerenCIPS Ex. 3.0 at 2:36-37). Mr. Chapman outlines the advantages of the primary Line 1 route and states, "it parallels existing utilities in less congested areas, which allow great flexibility in placement of structures thus reducing construction cost; the majority of this route is on WRB's property; it impacts a fewer number of property owners than the second alternate; and it is the least cost route." (Id. at 5:96-99).

Staff agrees the Transmission Lines are necessary and would provide a more reliable efficient service to WRR and the surrounding customers. (Rockrohr, Staff Ex. 1.0 at 4: 77-94). In addition Staff agrees with the selection of the routes and Amerens attempt to provide the service by the least cost means. (Id. at 5:107-114).

**2. Ameren is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision of the Transmission Lines.**

AmerenCIPS is capable of efficiently managing and supervising the construction of the Transmission Lines. (AmerenCIPS Petition at 3; Rockrohr, Staff Ex. 1.0 at 6:130-132). Staff witness Rockrohr recognizes that Ameren's service territory covers the southern two-thirds of Illinois containing hundreds of miles of transmission lines in the State and states he has no reason to doubt Ameren's capability of efficiently managing and supervising the construction. (Rockrohr, Staff Ex. 1.0 at 6: 130-132). Thus, Ameren meets this portion of the standard for the issuance of a Certificate.

**3. AmerenCIPS is capable of financing the proposed construction without significant adverse financial consequences for Ameren or its customers.**

“Construction of the project, including the Transmission Line, will not have adverse financial consequences for AmerenCIPS or its customers.” (AmerenCIPS Petition at 3; Brownfield, AmerenCIPS Ex. 1.0 at 129-131; Rockrohr, Staff Ex. 1.0 at 7:142-144). The total estimated cost of the project is approximately \$14.3 million and will be funded entirely by WRB. (AmerenCIPS Petition at 3; Brownfield, AmerenCIPS Ex. 1.0 at 158-161; and Seedorf, WRB Ex. 1.0 at 3: 56-58). At no point will there be any financial burden on AmerenCIPS. (AmerenCIPS Petition at 3).

AmerenCIPS meets all of the requirements of 220 ILCS 5/8-406 and should be granted a Certificate of Public Convenience.

**B. The Transmission Lines are Necessary for WRB to Proceed with a Multi-Billion Dollar Project at the Wood River Refinery.**

WRB is proposing the multi-billion dollar Coker and Refinery Expansion (“CORE”) project. WRB’s investment in the CORE project will increase the WRR’s capacity to 360,000 barrels of crude oil per day while increasing the number of employees and contractors in the refinery by 5-10%. (Seedorf, WRB Ex. 1.0 at 5: 94-98). The CORE project will increase WRR’s power needs from 140MW to approximately 240 MWs. (Id. at 5:100-101). In addition, once the CORE project is completed, WRB is considering a second phase of expansion which would further increase the WRR’s capacity to 400,000 barrels of crude oil per day and increasing the electrical demand to 300 MWs. (Id. at 5:100-104).

A large portion of the initial 90 MW increase is associated with the construction of a coker refinery unit and its ancillary equipment. (Brownfield, AmerenCIPS Ex. 1.0 at 4: 85-88). The load will come on in stages, beginning in 2009 and achieving full capacity in 2012. (Id. at 5:91-92). Significant expenditures have already been made. (Id. at 5:93-94).

The existing seven (7) 34.5 kV feeders would not be able to provide electric service to the

increased electrical load. (Id. at 5:96-98). Without the proposed Transmission Lines WRB would not be able to increase its capacity and therefore would not invest in the improvements.

**C. WRB Intends to Spend Over \$100 Million to Increase the Reliability of its Own Electric Distribution Facilities Inside the WRR.**

In addition to the Transmission Lines, WRB is spending over \$100 million to improve the internal electrical system inside the WRR. (Seedorf, WRB Ex. 1.0 at 6:120-122). WRB is planning two new substations to receive high voltage power from AmerenCIPS as well as a new high voltage loop inside WRR to connect the substations, significantly increasing the reliability of WRR's electrical facilities.

Reliability is of vital importance to WRB operations. ConocoPhillips has thirteen (13) refineries and WRR has the largest electric demand of the refinery fleet. (Id. at 6:134-135). WRB Witness Seedorf, who is familiar with Conoco's thirteen other refineries, is not aware of any other refinery that is served via of wooden poles and such low voltage (34.5 kV) as is the case with WRR. (Id. at 6:135-136).

Refinery processes are designed to function consistently at steady state for the safest operation of the refinery. (Id. at 6:76-77). Abrupt changes in operating conditions, such as the changes associated with a total refinery electrical outage, create emergency conditions which force the refinery into an uncontrolled shutdown. (Id. at 6:82-83) It can take a refinery 7-10 days to recover and restart after an uncontrolled shutdown. (Id. at 6:83-84). WRR has experienced five (5) complete electrical failures and five (5) major partial refinery electrical failures in the last ten (10) years. (Id. at 4:84-86).

**CONCLUSION**

For the reasons stated above, AmerenCIPS should be granted a Certificate of Convenience

and Necessity pursuant to Section 8-406 of the Public Utilities Act to build the subject transmission lines.

Respectfully submitted,

A handwritten signature in black ink that reads "Ryan Robertson". The signature is written in a cursive style with a large, stylized "R" and "B".

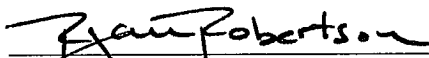
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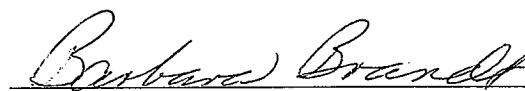
PROOF OF SERVICE

I, Ryan Robertson, being an attorney admitted to practice in the State of Illinois and one of the attorneys for WRB Refining, LLC, herewith certify that I did on the 23rd day of June, 2008, electronically file with the Illinois Commerce Commission, the Initial Brief of WRB Refining, LLC, and electronically served same upon the persons identified on the Commission's official e-docket service list.



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SUBSCRIBED AND SWORN to before me, a Notary Public, this 23rd day of June, 2008.

  
Notary Public

